

STATE OF SOUTH CAROLINA
State Budget and Control Board
EMPLOYEE INSURANCE PROGRAM

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EXECUTIVE DIRECTOR

October X, 2005

Jane Doe
123 Anywhere Street
Anytown, SC 29XXX

Dear Ms. Doe:

The Employee Insurance Program (EIP) records indicate that you have a child enrolled for coverage under your health and/or dental plan who is a dependent student. EIP's contractual guidelines allow an unmarried, dependent student who is not employed with benefits to remain eligible for coverage as long as he is a full-time student and is between the ages of 19 – 25.

Effective January 1, 2006, the EIP will begin explicitly enforcing the 60-day COBRA notification rule. COBRA, the Consolidated Omnibus Reconciliation Act, a federal law, allows for continuation of coverage after a dependent becomes ineligible for group coverage due to a qualifying event, such as marriage or loss of full-time student status. The 60-day notification rule states that you have 60 days from the date of ineligibility or the date the coverage would have been lost had the event been reported in a timely manner, to report to your benefits office that your dependent no longer meets the plan's requirements as an eligible dependent. If the event is reported within the 60- day period, your dependent will be offered continuation of coverage. If it is not, continuation of coverage is forfeited.

For example, if your child loses full-time student status on November 30, 2005, you have 60 days from the date coverage would have been lost had the event been reported in a timely manner, (December 1, 2005 through January 29, 2006) to report to your benefits office that your child is no longer a full-time student. After you make that report, COBRA will be offered. If you do not report the event within the time limit, your child will not be eligible for continuation of coverage.

EIP is committed to protecting the integrity of its health plans and providing affordable high-quality coverage for employees, retirees and their covered dependents. To accomplish this we must ensure that eligible subscribers and eligible dependents receive benefits as prescribed by the Plan of Benefits.

If you have questions, please contact your benefits office or the Employee Insurance Program at 803-734-0678 or toll free at 888-260-9430.

Sincerely,
Subscriber Services, Employee Insurance Program